

MONTGOMERY



TOWNSHIP

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BOARD OF SUPERVISORS

MONTGOMERYVILLE, PA 18936-0099

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ROBERT SIMPSON, JR.

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MAY - 4 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

March 5, 1993

Federal Communications Commission
Media Bureau
1919 M Street N.W.
Washington, D.C. 20554

Re: Hearings for Cable Television Act

Montgomery Township would like to officially go on record as encouraging the FCC to increase the regulatory power of local governments over cable operators, especially as those powers pertain to rate setting. We understand that hearings are ongoing to define the regulations provided for in the new cable television law, and felt this would be a constructive time to lend our voice to the many who are speaking out against the unfair business practices of cable companies.

Specifically, we feel it would be in the public's interest to put an end to the cable industry's ability to set rates based on nothing more than the limits of the local markets. Competition between cable companies in specific municipalities is limited or non-existent in most cases and so the cable companies rarely have to worry about pricing themselves out of the local market. Essentially, individual cable companies act as monopolies and are able to arbitrarily control the level of service and prices in each community. This is unfair to subscribers and is not in the best interests of a country where television has become the most vital mass communication medium available. For instance, Adelphia recently raised its rates in Montgomery by 9.7%. This adds to the overall 77% increase in rates residents here have been subjected to over the past five years. We feel rate increases of this magnitude are outrageous in consideration of the fact that the CPI has only risen approximately 4% annually over that same time period.

We hope the FCC takes this into consideration as it clarifies the new cable law and in doing so, creates a more equitable environment for cable subscribers across the country.

Sincerely,

Robert Simpson, Jr., Chairman
Montgomery Township Board of Supervisors

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